GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1101
ANSWERED ON:01.03.2006
SHORTFALL IN PLAN EXPENDITURE IN COAL SECTOR
Ramadass Prof. M

Will the Minister of COAL be pleased to state:

(a) whether the anticipated cumulative capital expenditure in the first three years of the Tenth Plan for coal sector is only 18.12 percent of the target;

(b) if so. the reasons for the shortfall in expenditure;

(c) whether the Government has any alternative plan to increase expenditure in the last year of the Tenth Plan; and

(d) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COAL (DR. DASAR1 NARAYANA RAO)

(a) : The actual cumulative expenditure during the first three years of the Tenth Plan i.e. 2002-05 is 53.74% of Budget Estimate and 68.39% of Revised Estimate.

(b) : The shortfall in the capital expenditure during the first three years of the tenth plan period was mainly due to delay in proeurement of Heavy Earth Moving Machinery (HEMM). outsourcing of coal extraction and/or overburden removal instead of departmental operation has reduced capital requirement to a great extent, delay in acquisition of forest and non-forest land and rehabilitation of villagers required for mine development, approval of projects and Ministry of Environment & Forests (MoEF) clearance, awarding of developmental works and payments deferred due to delayed delivery schedules in Under Grotmd machine mining etc.

(c) & (d) : The financial performance of Coal India Limited (CIL), Singarcni Collieries Company Limited (SCCL) & Neyveli Lignite Corporation Limited (NLC) is being monitored in the Financial Performance Review Meetings from time to time with Senior Executives of all Public Sector Undertakings(PSUs). They are advised to gear up the pace of plan expenditure by taking all concrete steps in this regard so that the capital expenditure is incurred as per targets.